

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: JUNE 18, 2008

DEPARTMENT: OFFICE OF BUSINESS DEVELOPMENT

DIRECTOR: SCOTT D. ADAMS

SUBJECT:

RESOLUTIONS:

RA-8-2008 - Discussion and possible action regarding a Resolution finding the Participation Agreement between the City of Las Vegas Redevelopment Agency (RDA) and Buy-Low Market, Inc., for the redevelopment and re-tenanting of commercial retail space, located at 1061 West Owens Avenue, to be in compliance with and in furtherance of the goals and objectives of the Redevelopment Plan, and approving the Participation Agreement (\$900,000 – Redevelopment Agency Special Revenue Fund) - Ward 5 (Barlow) [NOTE: This item is related to City Council Item 62 (R-40-2008)]

Fiscal Impact

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No Impact

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Augmentation Required

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Budget Funds Available

Amount: \$900,000

Funding Source: Redevelopment Agency Special Revenue Fund

Dept./Division: OBD/Redevelopment Agency

PURPOSE/BACKGROUND:

Buy-Low Market, Inc., proposes to redevelop and re-tenant the commercial retail space on the Site which was formerly operating as a Vons Grocery store in Edmond Town Center, located at 1061 West Owens Avenue, to fulfill a need for a grocer in West Las Vegas. It will also facilitate economic and redevelopment goals for the community, which will lead to the creation of additional jobs and positive social and economic impacts. Under the terms of the Participation Agreement, the RDA will contribute incentives not-to-exceed a total of Nine Hundred Thousand Dollars (\$900,000) as follows: \$200,000 grant towards new equipment purchased; tenant improvement and remodeling rebate (lease year end) not-to-exceed \$100,000 per year for seven (7) years.

RECOMMENDATION:

Approval.

BACKUP DOCUMENTATION:

1. Resolution No. RA-8-2008
2. Participation Agreement
3. Public Purpose Impact Analysis

Motion made by GARY REESE to Approve

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Passed For: 5; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 2

LOIS TARKANIAN, OSCAR B. GOODMAN, GARY REESE, STEVE WOLFSON, STEVEN D. ROSS; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-RICKI Y. BARLOW, LARRY BROWN)

Minutes:

SCOTT ADAMS, Operations Officer of the Redevelopment Agency, stated that this resolution is relative to the incentive package that was created to attract a major grocery anchor to the Edmond Town Center. He explained that when Vons pulled out of the Edmond Town Center, the City had difficulty finding a replacement grocery market to occupy the space. As a result, the City developed a participation packet composed of three incentive components. The first component includes an equipment grant secured by a UCC Lien. The second incentive would be a grant for improvements to the building and lastly, a grant for visual improvements to the building. MR. ADAMS stated that the entire package equates to \$950,000 spread over a period of seven years.

MR. ADAMS clarified that because this is a Redevelopment Agency (RDA) project using RDA funds in excess of \$100,000, by law, there is a requirement to provide an employment plan using prevailing wages.

MEMBER ROSS requested further explanation on how the employment plan would work and how it would benefit the neighborhood. MR. ADAMS replied that the recipient of any funds, in accordance with State Law, must make an effort to hire employees from the redevelopment area. Subsequently, the recipient must provide a plan indicating how they plan to market the availability of those jobs and hire from the redevelopment area. He recommended approval of the Participation Agreement between the Redevelopment Agency and Buy-Low Market, Inc.

CHAIRMAN GOODMAN explained that the City had gone to great lengths to attract various grocers to the neighborhood and although there had been a prospective merchant within the same community, that venture did not materialize.

CHAIRMAN GOODMAN expressed his appreciation to MEMBER BARLOW, who was not present, for his persistent attempts to secure the contract with Buy-Low Market, Inc.

CHAIRMAN GOODMAN invited the representatives from Buy-Low Market, Inc. to speak to their commitment as a contributing business to the community.

DAARYUSH CALEYDI, 1724 Via Cornell, Palos Verde, California, Chairman and CEO, PAUL VAZIN, President, and DAVID ROBEIR, 21250 Hawthorne Boulevard, Torrance, California, Counsel, appeared on behalf of KBMart. MR. ROBEIR acknowledged MEMBER BARLOW'S persistence in seeing this project to fruition. He expressed his appreciation to MR. ADAMS and his staff and stated that this endeavor will be a win-win situation.

MEMBER REESE recognized and called forward JOHN EDMOND, owner of the Edmond Town Center. MR. EDMOND stated that he and MEMBER BARLOW have been extremely busy in their efforts to persuade the Buy-Low Market, Inc. to fill the vacated space left by Von's.

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He was excited that the grocery store chain has an employment plan and pleased that the company proposes to hold a job fair, not just to introduce people to the property, but as a means of offering employment opportunities to those who live in the community.

Both CHAIRMAN GOODMAN and MEMBER REESE commended former MEMBER LAWRENCE WEEKLY who, despite countless criticism, strove to revitalize the northwest section of the valley.

